98-84326-19

Beveridge,
William Henry Beveridge

Labour exchanges

[London?]

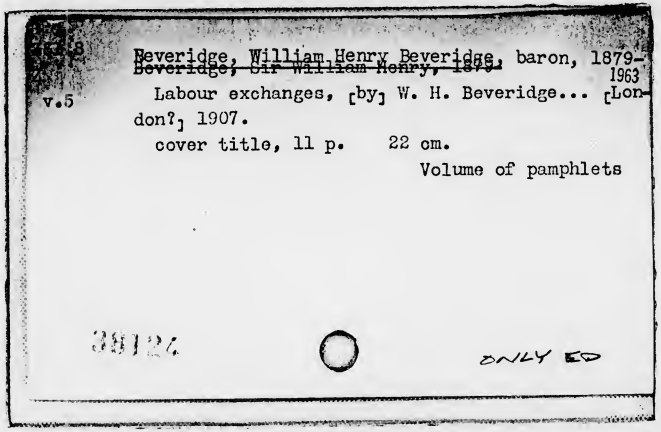
1907

98-84326-19
MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD


HJ8
v.5

Beveridge, William Henry Beveridge, baron, 1879-1963
~~Beveridge, Sir William Henry, 1879-~~
Labour exchanges, [by] W. H. Beveridge... [London?] 1907.
cover title, 11 p. 22 cm.
Volume of pamphlets

38124

ONLY ED

RESTRICTIONS ON USE: *Reproductions may not be made without permission from Columbia University Libraries.*

TECHNICAL MICROFORM DATA

FILM SIZE: 35mm REDUCTION RATIO: 10:1 IMAGE PLACEMENT: IA (IIA) IB IIB

DATE FILMED: 2/5/98 INITIALS: F.C.

TRACKING # : 30459

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

No. 4

LABOUR EXCHANGES.

W. H. BEVERIDGE

VICE-CHAIRMAN OF THE EMPLOYMENT EXCHANGES COMMITTEE OF THE CENTRAL [UNEMPLOYED] BODY).

DECEMBER, 1907

331.8
2
5
#4

Metropolitan Employment Exchanges

OF THE

Central (Unemployed) Body.

THERE are at the present time maintained by the Central (Unemployed) Body for London, under power given by Section 1, Sub-section 4, of the Unemployed Workmen Act, twenty-five local Employment Exchanges, together with a Central Employment Exchange. Nine of these local Exchanges have succeeded to Labour Bureaux formerly maintained by Borough Councils. Sixteen are in districts hitherto without any Bureau or Exchange. The system covers the whole of the county of London, with the exception of the city of Westminster (in which there is a Labour Bureau maintained by the City Council), and was necessarily established very gradually. It was not till January, 1907, that the whole of the twenty-five local Exchanges were open and at work.

Local Exchanges.

The object of these Exchanges is to put into immediate communication employers seeking workpeople, and workpeople seeking employment. Any person resident in the district covered by an Exchange—generally identical with one of the Metropolitan Boroughs—may register there in person, recording his name, age, and address, the character of work which he requires, and his qualifications for such work. Registration holds good for one week. Unless at the end of that time the registration is renewed it is regarded as withdrawn, and the record card is removed from the "live" to the "dead" register. It is, of course, open at any time afterwards to a previous applicant to register again. The statistics published include such fresh registrations, but do not include renewals. The "live" register of the Exchange from which vacancies are in the first instance filled consists therefore always of the record cards of those who have registered or renewed registration within the past six working days. Employers requiring workpeople may notify their requirements by personal call, post, or telephone. All classes of workpeople are dealt with, except indoor domestic servants; women being registered at different hours from men. The staff at each local Exchange consists of a superintendent and a junior, and the duties of the former specifically include the approaching of employers by letter and personal call to make known the facilities offered.

Central Exchange.

Each Exchange makes up and sends to the Central Exchange every evening a form showing the occupations of all persons registered that day, and notifies also any vacancies for employment for which no suitable applicant is to be found on its local register.

The Central Exchange, having all the returns before it, acts as a clearing-house, arranging for men to be sent to such situations from any other district in which they are registered. The Central Exchange it is hoped will also act in the future as the means of communication with the country outside London. All the Exchanges are in telephonic communication. Any man registering at one Exchange gets the chance of hearing of a job to suit him wherever it may be notified in London and cannot be filled locally. Any employer notifying a vacancy gets the chance of obtaining a suitable workman from another district if none is available in his own. No fees are charged to employers, or to workpeople unemployed or under notice of dismissal.

Separation from Relief Work. The system is under the direct control of the Central Body as a branch of its work, in offices, staff, and management altogether distinct from and additional to the organisation of Metropolitan Distress Committees for the selection of unemployed applicants for relief work. The principle of this separation was laid down in the report upon which the Central Body first decided to exercise its powers for the establishment of Employment Exchanges (March, 1905), and has been often repeated by the Central Body since that time. It was felt that the Exchanges would never attract either employers or capable workmen so long as they were closely identified with any avenue to relief work. It is part of this distinction that applicants at the Exchanges are required to give details only as to their *industrial* capacity, and not also as to the size of their families, distress, or thrift.

Local Advisory Committees. With a view to securing the requisite local knowledge and local interest in fitting each Exchange to the needs of its district, it is proposed to form for each Exchange, under a scheme passed by the Central Body on December 7, 1906, a local advisory committee, appointed partly by the Borough Council, partly by the Central Body, and including representatives of employers and employed. The number of such committees already formed is twenty-one.

Wages and Trade Disputes. In accordance with a decision of the Local Government Board, the Metropolitan Employment Exchanges are precluded from enforcing upon those who use them any specified rates of wages or conditions of employment. This is in accord with the universal practice of the German Public Labour Registries, which are managed by joint committees of representative employers and employed, and enjoy the general confidence of both parties. In regard to strikes and lock-outs, the instructions issued to the Superintendents of the Metropolitan Employment Exchanges declare the express intention of the Central Body to prevent the unfair use of the Exchanges to prejudice the conduct of trade disputes, and forbid the Superintendents to take action as to either vacancies created or men unemployed owing to a dispute, without the distinct orders of the Central Body. The legality of this instruction is now under consideration by the Local Government Board. The rule most commonly adopted by the German Registries and now generally accepted by both

parties is to notify to applicants all situations offered, whether due to a dispute or not, but specifically or by public notice to call their attention to the dispute, so that they may not go to the situation without warning. In practice it is found that such situations are very seldom accepted by the men in the Exchange.

Summary Statistics. The number of registrations (apart from renewals) during the first six months of 1907—the first during which all the twenty-five local Exchanges were open—was 47,115 (38,762 males and 8,353 females). The number of situations offered was 13,935 (9,096 for males and 4,839 for females). The number of situations filled was 8,903 (6,701, or 74 per cent. of those offered for males, and 2,202, or 45 per cent. of those offered for females). The Exchanges therefore filled on an average nearly 1,500 situations a month. A large amount of work was done by the Central Exchange, no fewer than 1,298 situations being filled through it in the six months; that is to say, this is the number of situations for which no suitable applicant could be found in the immediate neighbourhood, but which it proved possible to fill by sending an applicant from another district.

The trades dealt with have been very various. It was found nearly everywhere that the class of workpeople applying improved steadily as the objects and nature of the Exchange became known. According to the classification adopted by the Central Body in making returns to the Labour Department, the 38,762 registrations of males were distributed as follows:—Building 7,847, Wood-working 1,809, Metal Trades 3,559, Printing 683, Dress 638, Food and Tobacco 1340, Glass, Leather, etc. 531, Transport and General 14,694, Other Occupations (which includes Clerks, etc.) 2796, Boys (i.e., all males under 18) 4,865. The situations filled were in Building 1,275, Wood-working 393, Metal Trades 324, Printing 62, Dress 142, Food and Tobacco 153, Glass, Leather, etc., 55, Transport and General 1,999, Other Occupations 699. Boys 1,486. Of the females registering, 6,600 are described as women, for whom 1,295 situations were found, and 1,753 as girls (i.e., under 18), for whom 907 situations were found.

The number of registrations includes fresh registrations of people formerly on the register, but does not include renewals of a current registration. The number of separate individuals registered would therefore be somewhat, though not much, lower than the number of registrations given above.

The Value of Labour Exchanges.

A Labour or Employment Exchange is an office for registering on the one hand the needs of employers for workpeople, on the other hand the needs of workpeople for employment. It is a means not of making work but of putting those who want work and those who want workpeople into immediate communication. It is a market-place for labour. What is the use of a market-place for labour?

In the first place, it may be urged that there is nothing surprising in labour exchanges being thought useful. Everything else that is bought and sold—corn, or wool, or stocks—has its known market-place. Labour is the only thing which still finds a buyer only, or, as a rule, by being hawked from door to door. There must, on the face of it, be as much reason for abolishing this antiquated and wasteful method of hawking in regard to labour as in regard to anything else. The surprising thing is not that Labour Exchanges should be wanted now, but that they should not have been established long ago.

It is, however, unnecessary to rely on general arguments. As soon as the question is examined a whole series of practical reasons may be seen for regarding the organisation of the labour market by a connected system of labour exchanges as the first step in any solution of the unemployed problem.

1. Labour Exchanges, in some form or other, are indispensable for the abolition of casual labour. It is not possible for each individual employer to employ only regular men. It is possible for all employers to agree or to be compelled to take their irregular men from some common centre. The business of that central office will then be so to distribute work as to give each man who gets any work at all a fairly regular flow of work under several employers in turn, where it cannot be regular under one employer alone.

2. Labour Exchanges, though they cannot, in times of depression, make work can reduce unemployment even in such times by abolishing all unemployment that is merely local in character. They, and they alone, can make it impossible for men to be vainly seeking work in one place, while employers are vainly seeking just those men in another.

3. Labour Exchanges are necessary for any drastic treatment of vagrancy. The excuse of the habitual vagrant is that he is tramping in

search of work. A national system of Labour Exchanges, using the post office, the telephone, and the railway, will gradually relieve the habitual vagrant of the excuse and the decent workman of the necessity for going blindly on the tramp.

4. Labour Exchanges are necessary to provide a test of unemployment in the mass and in the individual. They will show at all times what the problem is and where it lies. They will automatically register the beginning, depth, and ending of exceptional depression, and will thus guide the administration of any special measures that may be thought necessary. They alone will show as to any individual workman whether he is now unemployed against his will, because they alone will keep all men in immediate touch with all the employment that offers. No system of insurance against unemployment and no system of relief outside the Poor Law is safe from abuse without such a test.

5. Labour Exchanges in direct connection with the elementary schools are necessary, in order to organise and guide the entry of boys and girls into industrial life, to give each a wider choice of the work for which he or she is best fitted, to study and to influence the character of the demand for youthful workers, to accumulate for the formation of public opinion or the framing of laws information as to the careers offered by various occupations.

It is not possible here to do more than thus state in bare outline some of the services which Labour Exchanges may be expected to render in regard to unemployment. The first alone is dealt with at greater length in the following pages. The "decasualisation of labour" is at once the most important point, in view of the admitted facts of the unemployed problem, and the one most needing special explanation.

The Decasualisation of Labour.

Where a trade in any particular district or at any particular time is in such a condition that employers requiring men experience any appreciable delay in getting them, the use of a Labour Exchange is clear. The delay is bad for the employer and still worse for the workman, who, while looking for employment, perhaps in just the wrong direction, not only loses both his working time and the earnings he might have made, but becomes, through privation, less fit for the future. Most trades, however—or, at least, most of those coming under the notice of a body dealing with the unemployed question—are not in a condition in which employers have to wait for men. In the unskilled and low-skilled occupations an employer can get as many men as he wants whenever he wants them. In such an occupation, what is the use of an Exchange? It can only, it appears, redistribute work. It can only, that is to say, give to A the job that would or might otherwise have gone to B. How will that help matters? The answer to this, perhaps the most general criticism made against Labour Exchanges, falls into two stages.

1.—The Bad Distribution of Employment as a Cause of Chronic Distress.

The Unemployed Problem is Chronic.

In the first place, what is known as the unemployed problem represents for the most part a bad distribution of employment—a scattering of jobs over an army of irregular workmen.

Among the unemployed applicants coming before Distress Committees there are generally some, not many, who are exceptionally distressed in the sense that they have recently lost a regular situation and have lost it through some such cause as the introduction of machinery, the removal or decay of an industry, or the reduction of staff during a period of depression. The great bulk of the applicants are not in this position at all. The great bulk are men constantly in or on the verge of distress. They are irregular workmen, generally unskilled or low-skilled, getting from time to time some work but not getting it regularly or in quantities sufficient to provide a proper living. They are men neither unemployable (since they are occasionally employed), nor at present individually superfluous (since they are occasionally called on). Their removal would leave a distinct gap to be filled.

The Underemployed Irregular Workman.

They are really not so much unemployed as chronically underemployed, earning, perhaps, fair daily wages, but getting on an average only two or three days' work in a week, or two or three weeks in a month. In other words, a large part of the work of London is so distributed as to keep together a vast army of the irregularly and insufficiently employed. It would be a clear gain, and it is

the first step to reform so to amend this distribution as, if possible, to do away with this under-employment, to replace every 1,000 men now working three days a week by 500 men working six days a week. On any view of society, it is better to have one man well fed and capable than two on perpetual half-rations; it is better to have one man at a living wage than two at a sweated wage.

Of course, this re-distribution involves in the first instance turning out some of the under-employed men altogether in order to concentrate their work and earnings on the rest. That is a hardship to the individuals which would have to be met by special temporary measures. To these reference is made below. Here the main point is this: If either in existing industries or by special measures opening up new industries—on the land or elsewhere—it proves possible to find remunerative permanent employment for the 500 men displaced, say, from dock-labouring in order to leave a full living for the 500 retained, then the reform is clearly all to the good. One thousand half-employed dock-labourers will have been turned into 500 fully-employed dock-labourers and 500 men fully employed in some other way. If this does not prove possible; if, in the whole country no other room can be found for the men displaced; if, in other words, it becomes clear that the reason of so many persons being under-employed is not merely that they are trying to live in the wrong place or in an already crowded industry, but that there are too many people in the country as a whole, then the reform suggested becomes all the more desirable. If the country were already over-populated it would be a matter of extreme urgency to replace 1,000 under-employed men (each the possible father of a family) by 500 fully-employed men, while for the other 500 no choice would or should then be left except emigration.

2.—The Possibility and Means of Improving the Distribution of Employment.

Mobilise the Reserve of Labour.

Granted that such re-distribution as would offer sufficient employment to the individuals employed would be a good thing, and is a necessary thing if the unemployed problem is ever to be solved, is it a possible or practical thing? Is not employment irregular simply because business is irregular? That is the second point. The answer is that the reform in question is quite possible, without any interference with the actual flow of business.

The possibility depends upon the fact that separate undertakings employing similar classes of labour, though they may be to some extent affected by general events (*e.g.*, by seasons or trade changes), so as all to grow slack or all to grow busy at the same moment, are to some extent also affected by events peculiar to each so that one grows busy while another grows slack, one is dismissing men while another is taking them on, one needs ten men to-day and none to-morrow while another needs ten men to-morrow and none to-day.

If, in this last illustration, the two employers take on their men independently at different places the two days' work may go to two distinct sets of men—twenty in all; each employer, indeed, will tend to have a distinct

following in constant attendance at his gates. If, on the other hand, both employers take their men from a common centre or Exchange both days' work may go to one set of men—twenty men idle half their time may be replaced by ten men in continuous work. Where a business has several departments, fluctuations in the different branches of its work may often be met with little or no irregularity in its total staff by sending men now to one department now to another. The same thing may be done for separate businesses by a Labour Exchange supplying each and all with the extra men they on occasion require. In this way employment may for each individual labourer be made reasonably continuous under a group of similar employers where it cannot be regular under a single employer. The stagnant reserve of under-employed labour waiting everywhere blindly on the demands of different employers may be replaced by a smaller body of men mobile from employer to employer under the directions of an Exchange in touch with them all.

Giving to A the job that would have gone to B.

The general criticism upon Labour Exchanges may now be repeated and re-considered. "What," it is asked, "is the use of making the supply of labour more fluid when the trouble is not that the supply of labour is insufficiently fluid but that it is greater than the demand?" The answer is that the supply of labour drawn into and kept in every occupation tends to be excessive just because it is not fluid enough, just because it does not flow as quickly and as easily as it might to wherever it is needed. If it moved more quickly, less of it would cover the same ground. Owing to the constant shifting of industry the modern workman has two quite different things to do. He has not only to work. He has also to be constantly finding and following the market for his labour. The more quickly and easily he can do the second of these things the more time and energy he will have for the first of them. He will do more and better work the less time he has to spend in merely looking for work. "What, again, is the use of elaborate machinery for giving to A the job that might otherwise have gone to B or C?" The answer is that to let A, B, and C in succession take jobs that by organisation could all have been done by A, is to give an incentive to three men to remain in a district or in an occupation in which there is living room for only one of them. If all Poplar carmen registered at a single Exchange and all Poplar employers sent to that Exchange for carmen then so long as any competent local man was unemployed he would have the first chance of hearing of the local job. As it is, the Poplar employer may, by taking his man on at the gates, bring in an outsider and induce him to move into Poplar at the very time when a perfectly competent local man is unemployed and is slipping into pauperism, for which the Poplar employer will have to pay.

Local Labour.

Mr. Charles Booth and the London Docks.

This is the whole principle of the Labour Exchange. It is neither new nor without authority. It was, after prolonged investigation, urged by Mr. Charles Booth upon the Labour Commission in 1892 as the one remedy for the evils of casual riverside employment. It has, in accord with the suggestions then made, been carried out by the London and India Docks Company so far as regards the staff directly employed by them, with the result of increasing

the proportion of their work which is done by permanent or weekly as opposed to that which is done by hourly labourers from 20 per cent. to 80 per cent. Unfortunately this affects less than a quarter of the total number of men daily employed in London riverside labour.

All that is new here is the emphasis laid on the general character of the evil. Every trade tends to be chronically overstocked with labour in proportion as the demands of separate employers are fluctuating, and in so far as machinery for bringing together those demands and for mobilising the labour supply is absent or inadequate. The practical application of the principle depends very much on the circumstances of different trades. In some the principle is already applied very fully in the system of trade union registers. In others something is done, but not much. In the unorganised and unskilled occupations everything remains to be done, and must probably be done by deliberate arrangement between employers in drawing all their casual labour from a recognised centre. By doing this they will not only abolish, as they only can abolish, a source of standing distress, but they will secure better and more responsible service. From the streets the employer gets a man who has perhaps been idle and ill-fed for several days. From an Exchange he may and, as the system grows, will get a man who has just left another job. There is much that is difficult in this. There is nothing that is impracticable. It does not mean that the employer loses either choice or control of his staff in any way. It simply means that he chooses till he is suited from among men sent by the Exchange, not from among those gathered at the street-corner or the public-house. For the reduction of unemployment Labour Exchanges are more needed in those trades in which the employer can now "get as many men as he wants whenever he wants them" than in those in which he has sometimes to wait.

3.—Relation of Labour Exchanges to Other Remedies.

Labour Exchanges cannot relieve existing distress or of themselves diminish an existing over-supply of labour. They and they alone can gradually remove one of the principal causes in the formation of distress—the chronic overstocking of the labour market by the disorganised demand of many employers, or by such special plans as individual employers, lacking an Exchange, often feel themselves compelled to adopt—of giving out some of their work in rotation so as to have always a reserve of labour for emergencies in attendance at their own gates. No remedy other than organisation of the labour market through Exchanges will serve to prevent the creation of casual and half-employed labour.

Emigration, Colonisation and National Works.

The trouble is that there are as it were so many "half-places" in industry. It is no remedy to remove, whether to Canada or to rural England, or to national works, the under-employed individuals who now fill those half-places, so long as the half-places themselves remain to attract and to be filled by a fresh generation of the chronically distressed. If the making of new industries would solve the unemployed problem, why is it unsolved to-day?

Private enterprise is perpetually making new industries. The trouble is that a particular employer wants two hundred men this week and only one hundred next. It is no remedy for such a case to shorten hours all round. To halve all working hours would be to leave that employer with a demand for four hundred men this week and two hundred next. The only remedy is to fit in his employment with that of another employer who needs one hundred men this week and two hundred next, and the way to that remedy lies in each and every employer going to a common centre for his irregular staff. The trouble is that the work of individual employers is irregular. The remedy is to make employment regular under a group of similar employers where it cannot be so under one of them alone. The trouble is that there is a demand for casual labourers, and that the demand meets with an abundant supply. The only remedy is to change that demand into one for regular labourers at an Exchange providing many different employers with their occasional hands. More industrial training and the placing of boys in regular occupations are undoubtedly good things and may do something to diminish the supply of casual labourers. Yet while the demand for casual labourers continues it can hardly be supposed that the supply will ever cease altogether. The supply is drawn from all who at any time in any trade are in temporary difficulties, from all who have failed, and from all who *very largely because they are the children of casual labourers* have never fairly started in life.

Reduction of Hours.

Industrial Training.

Labour Exchanges the first, not the only step.

Decasualisation does not touch the whole of the unemployed problem. It cannot, even where it applies most directly, stand alone. In making employment more regular for some it must at first, at any rate, turn out others of the present casual labourers altogether. Provision for these others, whether in Canada by emigration, or in this country through the agency of a farm colony securing both rural training and physical recuperation, is a necessary supplement. On the other hand, neither can these nor any other remedies stand alone without De-casualisation. They drain a reservoir of the under-employed which fills again automatically. They rescue the individual; they leave the bad system of employment which is the root of the disease. The abolition of that bad system of employment by the use of Labour Exchanges is put forward as the first step needed to make all other steps secure. What—in regard to the chronically-distressed irregular workman—is the alternative?

LIST OF METROPOLITAN EMPLOYMENT EXCHANGES.

Exchange and Address.	Name of Superintendent.	Telephone Number.
BATTERSEA.—332 Battersea Park Road ...	L. G. Claydon ...	110 Battersea
BERMONDSEY.—3 Fort Buildings, Southwark Park Road	E. J. Hunt ...	3286 Hop
BETHNAL GREEN.—11 Green Street, London, E.	F. J. Newell ...	1086 East
CAMBERWELL.—131 Peckham Road, S.E. ...	J. A. C. Cameron	3275 Hop
CHELSEA.—91 Church Street, Chelsea, S.W....	J. Coe	2621 Kensington
DEPTFORD.—13 Deptford Bridge, S.E. ...	A. W. Shenton ...	144 Deptford
FINSBURY & HOLBORN.—48 Myddelton Street, E.C.	W. E. Excell ...	5426 Holborn
FULHAM.—Effie Road, Walham Green, S.W....	W. Broad	2541 Kensington
GREENWICH.—12 Stockwell Street, S.E. ...	E. C. Steer ...	5 Deptford
HACKNEY & STOKE NEWINGTON.—24 Amhurst Road, Hackney, N.E.	A. G. Merrick ...	183 Dalston
HAMMERSMITH.—20 Queen Street, Broadway, W.	J. Hampson ..	3140 Western
HAMPSTEAD.—210 West End Lane, N.W. ...	T. F. Ing	2101 Post Hampstead
ISLINGTON.—93 St. Paul's Road, Highbury, N.	G. D. Fryer ...	855 North
KENSINGTON.—155 Clarendon Road, Notting Hill, W.	W. H. Reeve ...	3120 Western
LAMBETH.—120A Lambeth Road, S.E. ...	E. Browne ..	3269 Hop
LEWISHAM.—17 Brownhill Road, Catford, S.E.	E. J. Fair... ...	880 Sydenham
PADDINGTON.—303 Harrow Road, W. ...	G. A. Fitzpatrick	1182 Paddington
POPLAR.—127 East India Dock Road, E. ...	C. Deadman ...	771 East
ST. PANCRAS.—19 Crowndale Road, St. Pancras, N.W.	E. A. Hancock ...	384 Mayfair
ST. MARYLEBONE.—25 Paddington Street, W....	A. W. Kemp ...	969 Paddington
SHOREDITCH.—134F Kingsland Road, N.E. ...	H. W. Coombes...	709 London Wall
SOUTHWARK.—23 New Kent Road, S.E. ... (Entrance in Tarn Street)	J. J. Beaumont ...	125 Hop
STEPNEY.—463 Commercial Road, E.	D. G. White ...	1093 East
WANDSWORTH.—213 Garratt Lane, S.W. ...	H. J. Wendon ...	75 Battersea
WOOLWICH.—20 Albion Road, Woolwich ...	A. J. Veness ..	58 Woolwich
THE CENTRAL EMPLOYMENT EXCHANGE, 87 Temple Chambers, Temple Avenue, E.C.	H. W. J. Stone, Organising Superintendent.	5808 Central

END OF
TITLE